

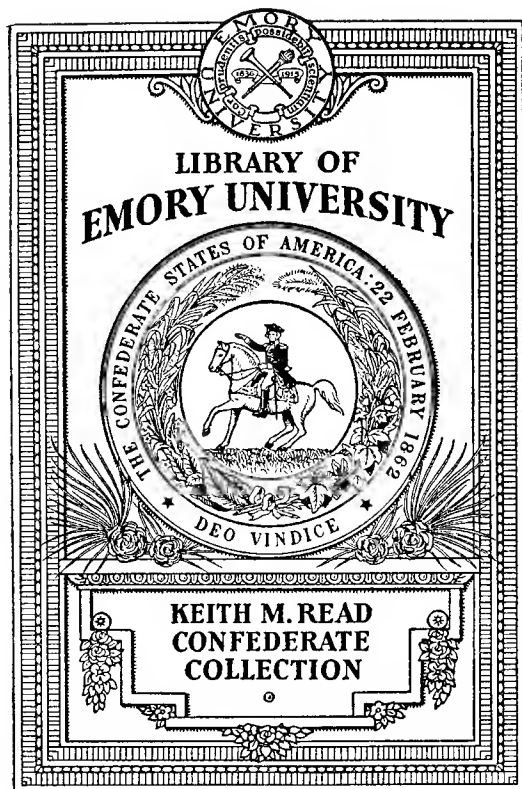
REPORT
OF THE
PRESIDENT
OF THE
CHARLESTON & SAVANNAH
RAIL-ROAD COMPANY,
TO THE STOCKHOLDERS,

AT THE SEVENTH ANNUAL MEETING, FEB. 20TH, 1861.

PUBLISHED BY ORDER OF THE STOCKHOLDERS.

CHARLESTON :
PRINTED BY A. J. BURKE, 40 BROAD-STREET.

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PRESIDENT'S REPORT.

OFFICE CHARLESTON & SAVANNAH R. R. CO. }
Charleston, 20th Feb'y, 1861. }

To the Stockholders of the Charleston and Savannah R. R. Co:

GENTLEMEN:—In this my seventh annual report, I can at last inform you that the Road is now finished, and that a daily mail and passenger train (Sundays excepted,) has been running between Charleston and Savannah, since the first of November, 1860.

When we recur to the commencement of the work, the long period taken to complete it, and proceed then to criticise the sum the Road has cost, (\$2,966,468.08,) it cannot but be admitted that both the time and expenses would have been far less, had the Corporation possessed cash, instead of bonds and stocks, to pay its contractors, and had not the scheme, for several years after it had been in progress, been so generally opposed in city and country and been pronounced as visionary and impracticable. These assertions, while they discouraged its friends, furnished to its opponents excuses for not subscribing: but its few and early advocates believing that the Road was both called for and necessary, never abandoned to the prejudices of the many their own convictions of its ultimate success. They had seen other Roads finished which had been exposed to similar doubtings and perplexities. They knew that on the introduction of the locomotive into any country, however isolated and sequestered, that it would certainly yield rich returns, though no one could venture to say from which of its many hidden resources they were to come. And now, possessing the Road with all its prospective aids and advantages which of you, notwithstanding its large cost, will say it had better not have been built, or deny that it has not been finished at the critical moment when most needed for

the transportation of men, arms and munitions. And should the calamity of war be forced upon us, you will find that this much neglected Railway will be the cheapest and most formidable earth-work that could have been devised to give confidence and security at home, and repel invasion from abroad.

But before proceeding further in my report, I wish to lay before you certain dates and facts, as explanatory of the time occupied in surveys and construction, as well as the sources from which were principally obtained the means of conducting our operations.

In December, 1853, Charter granted by South Carolina.

In February, 1854, Charter granted by Georgia.

In February, 1854, Experimental surveys begun.

In July, 1854, the sum requisite (\$300,000) to secure the Charter having been subscribed by the city of Charleston and individuals, the Company was duly organized.

In December, 1854, the State subscribed \$270,000 in the Stocks of the South Carolina, King's Mountain and Wilmington and Manchester Rail Roads.

1st February, 1856, ground was first broken by the contractors, Messrs E. & B. G. Lartigue, at the 11th Section, between Rantowles and Edisto river. The Company was unable to begin work from the Charleston end, in consequence of conflicting opinions as to the best direction to enter the city. The Directors, therefore, rather than delay the work till this question was settled, resolved to show progress by putting under contract such a portion of the line as would be common to any of the three routes in dispute.

In December, 1856, the Legislature authorized the endorsement by the Comptroller General, of \$510,000 of our 6 per ct. Bonds, issued solely for ironing and equipping the Road.

1st January, 1858, one million 7 per ct. Bonds were authorised to be issued.

29th March, 1858, Track laying commenced from Charleston terminus.

19th April, 1860, the rails and tressle being finished to the Savannah river, a daily passenger tram by rail and steamer to Savannah was put in operation.

22d May, 1860, a further issue of five hundred thousand dollars of Equipment Bonds was authorised for the purpose of finishing the Road, construction of depots, wharves and machine shops, and completing bridge over Savannah river.

26th October, 1860, two years and seven months after track-laying had commenced from Charleston, the last rail was laid, thus uniting for all time the two principal seaports of Georgia and South Carolina.

On the 11th January, 1860, previous notice having been given, the 1st Rule of the By-Laws was amended to read as follows: That the words "third Wednesday in January" be stricken out, and the words "third Wednesday in February" be inserted instead.

This change of the day for the annual meeting of Stockholders was made at the request of the Treasurer, who stated that a longer period was needed to make a correct exhibit of the affairs of the Company up to the end of the fiscal year terminating on 31st of December, as the time then allowed was insufficient, many of the accounts not coming in for settlement till the 15th or 20th of January.

FINANCIAL CONDITION.

A statement of the affairs of the Company, by the Treasurer, William H. Swinton, Esq., will be found annexed to my report. By it you see that the cost of the Road on the 1st January, current year, amounted to \$2,996,468.08. This unexpectedly large sum has been increased by extraordinary expenses, which I will proceed to enumerate:

Profit and loss, on sale of Bonds and Stocks,	.\$317,940 14
Interest.	79,934 98
Interest on 6 per ct. and 7 per ct. Bonds.	70,865 06
Commissions,	56,543 28
Right of way, .	111,177 66
Wharves and Ferry Boat,	89,841 09
Temporary Bridge over Savannah river, .	20,000 00
<hr/>	
Total of extraordinary expenses,\$746,302 21

From the cost of the Road, .	\$2,996,468 08
Deduct extraordinary expenses,	746,302 21
	<hr/>
And it leaves	\$2,250,165 87

a sum much nearer what the Road would have cost, had it not been constructed on the *credit* system. And further, had the Road not taken twice as long to build it as it has, our engineering expenditures would have been reduced from \$63,963.36 to at least \$40,000 ; another reduction it would be fair to make, in the *extra labor* employed and bounty (\$14,000) for night and day work, to urge the execution of the contracts with the greatest despatch to the Savannah river, to which which point the rails were laid on the 19th March, 1860. These last mentioned items would reduce the construction account of the Road another \$100,000, which would diminish the cost per mile to *the average price of other Southern Railways*, say \$21,000 per mile.

The \$410,000 6 per ct. guaranteed Bonds, sold, up to 1st January, 1861, averaged 91 3-10 per ct. Loss, \$35,649 50-100.

The \$854,500 7 per ct. Bonds, sold up to same date, averaged 81.5. Loss on sale of whole, \$158,082 50. Of these 7 per ct. Bonds, \$315,357 77-100 were paid to contractors at par—the remaining \$539,142 23-100 brought only 70.57 per cent.

The \$58,000 equipment Bonds, sold at 70 per ct. Loss, \$17,400.

The \$200,000 Wilmington & Manchester Railroad Stock was sold at 45 per ct. Loss, \$110,000.

The above are furnished in explanation of some of our *extraordinary expenses*, and prove that the great indebtedness of the Company (*2,070,200.49,) is not due to extravagant prices paid for work and materials, but to the *low rates* we

* Total amount received by the Company,		\$3,273,868 32
Deduct Capital Stock,	\$907,310 00	
Deduct assets on hand applicable to the payment of the debt.	277,400 24	
Deduct also nett receipts from transportation per statement,	18,957 59	1,203,667 83
	<hr/>	
Actual balance of indebtedness, - -		\$2,070,200 49

were compelled to part with our securities, the exorbitant charges for money borrowed, and paying contractors in Stocks and Bonds instead of ready cash !

The contract prices paid the Messrs Rikers for cars were many dollars less than they received for the same kind of Rolling Stock from Alabama and Mississippi Railroad Companies.

Our rails, spikes and chairs, cost only the ruling market rates.

Our Locomotives, under the contract with the Rogers Locomotive Works, were not to exceed the prices paid for Engines delivered at same period to any of the adjoining Roads.

Annexed is submitted a supplementary statement of the floating debt, and the assets applicable to the same, up to 1st January, 1861.

STATEMENT of the Floating Debt of the Charleston and Savannah Rail-Road Company, and the Assets applicable to the same, on the 1st January, 1861.

A S S E T S.

Bills receivable,	-	-	\$57,450 00
Stock of Farmers' and Mechanics' Bank, Savannah,			25,000 00
Stock of King's Mountain Railroad Company,	-		50,000 00
Six per cent Bonds, unsold,	-	-	95,000 00
Seven per cent Bonds, unsold, (second mortgage,)			145,500 00
Equipment Bonds, unsold,	-	-	442,000 00
Open accounts,	-	-	143,133 24
Due on subscriptions to Capital Stock, (see statement of "Subscription,")	-	-	129,390 00
From which deduct Georgia Central R. R. Co's subscription included in the above amount, but which is not applicable to any liability represented in this statement, being appropriated to the purposes mentioned in terms of subscription, dated July 6th, 1858,			71,250 00
			<hr/>
			58,140 00
Add this amount payable in Stock, and not included in the present sub-cription list, being amount due to J. S. Ryan on contracts over and above the amount of his subscription, and represented among the present liabilities,	-	-	23,841 70
			81,981 70

Real Estate, being lands held by the Company, and estimated to be worth	-	-	95,000 00
Balance of Cash on hand,	-	-	1,817 00
			<u>\$1,136,851 94</u>

F L O A T I N G D E B T

Bills payable, secured by collaterals,	\$387,004 55	
“ “ without collaterals,	- 223,153 48	610,158 03
Bonds payable, issued in payment of Real Estate, Right of Way, &c.,	-	42,658 34
Open accounts,	-	372,284 36
Balance over and above liabilities,	-	111,781 21
		<u>\$1,136,851 94</u>

As unpropitious as the times have been, the travel and freight over the Road have been steadily increasing since the 1st of last November, when our *Through* business commenced.

The receipts from passage and freight for the month of January, 1861, are as follows :

P A S S A G E.

Sales by Savannah agent,	..	\$2,706 20
“ “ Charleston agent, .	..	5,683 85
“ “ Other Roads,		222 68
		<u>\$8,612 73</u>
Gross receipts, .	..	\$8,612 73
Deduct proportions due other Roads, .	. .	1,200 75
		<u>\$7,411 98</u>

F R E I G H T.

Receipts from freight for January, 1861,	\$4,999 67	
“ for mail service, 1-12 of \$10,400,	866 66	
“ from Adams' Express Co.,	.. 166 11	6,032 44
		<u>\$13,444 42</u>
Total nett receipts for January, 1861,		\$13,444 42
Operating expenses in January, 1861, . .		8,843 85
		<u>\$4,600 57</u>

Several extra expenditures occurred in January, which will not appear in the succeeding months.

COMPARISON of Local and Through business, from 1st July to 31st December, 1860, showing that nearly the whole income for the time has been derived from the LOCAL business, and that a large THROUGH BUSINESS can yet be developed, (when the present obstructions to trade are removed.)

PASSENGERS.			FREIGHT.		MONTHLY TOTALS.
1860.	LOCAL.	THROUGH.	LOCAL.	THROUGH.	
July,	3,201 05	413 47	1,291 13	21 80	4,927 45
Aug.	2,824 65	351 32	1,594 80	38 24	4,809 01
Sept.	2,203 15	243 50	1,612 84	4 03	4,063 52
Oct.	3,102 40	571 25	2,079 55	8 90	5,762 10
Nov.	5,314 00	647 21	2,728 28	76 34	8,765 83
Dec.	6,627 90	638 18	2,802 83	51 18	10,120 09
	<hr/> 23,273 15	<hr/> 2,864 93	<hr/> 12,109 43	<hr/> 200 49	
Total receipts for 6 months, (184 days,)					<hr/> 38,448 00
Average per day,					<hr/> 209 00

Since the opening of the present year, the Through Freights, though very inconsiderable for the previous six months, have very largely increased, as will appear by comparing the receipts for December, 1860, and January, 1861.

Through freight for January, 1861, to and from Charleston and Savannah,.	\$ 1,277 81
Through freights for December, 1860, to and from Charleston and Savannah,.	<hr/> 51 18

Increase of through freights in January, 1861, over the preceding month of December,.	1,226 63
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Assuming that the average operating expenses of the Road will continue to be what they were in January, \$8,843.85—

The current expenses for the year will then be	\$106,126 20
Add interest on \$410,000.00 six per ct. Bonds,	24,600 00

"	"	"	854,500.00	seven	"	"
"	"	"	58,000.00	Equipment	"	"
"	"	"	42,658.34	Bonds payable.		
"	"	"	610,158.03	Bills payable.		

2	\$1,565,316.37	at 7 per cent	109,572 14
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Amount of interest and expenses to be provided for in 1861,	\$240,298 34
Now assuming that the nett receipts for January, \$13,444.42, will neither be more nor less for the remaining 11 months—the total annual receipts will then be.	161,333 04
	<hr/>
Deficit,	\$ 78,965 30

Now, whether this deficit can be made up by an increasing passenger and freight business during the year, will depend upon the issue of the revolution upon us. Should it result peacefully, the cities of Charleston and Savannah would immediately enter upon a new career of commercial prosperity, that would give an impetus to our travel and transportation which would in a few years release us from all pecuniary embarrassments. On the contrary, should war ensue, our fate would not be worse than other Roads. But while it lasted we should have the opportunity of illustrating what a tower of strength the Road will prove to the seaboard.

MOTIVE POWER.

9. Locomotives, in good order.
2. Locomotives, repairing.
1. The "Southward Ho!" not yet put together.

ROLLING STOCK.

9. Passenger Cars.
 3. Conductors' Cars.
 3. Express and Baggage Cars.
 27. Box Cars.
 6. Stock Cars.
 56. Platform Cars.
 3. Dumping Cars.
 1. Hoisting Cars.
- All in good condition.

I have to note the resignation of the Treasurer, Mr. E. L. Parker, on the 26th of July last, and the appointment on the 1st of August following of Mr. William H. Swinton to fill the vacancy.

FUTURE PROSPECTS.

These are extremely encouraging as respects travel and freight ; for, as we are at last connected with Savannah by rail, a wide field is now open to the enterprise of our merchants by way of Steamers to Brunswick, Fernandina and Jacksonville ; by Railway (with the exception of 18 miles) to St. Mark, on the Gulf, and thence by a semi-monthly line of Steamers to New Orleans and Havana ; by the Central Railroad to West and South-West Georgia, and thence to Pensacola—all the way by rail, with the exception of 30 or 35 miles land carriage.

From Tallahassee eastward, the Railroad has been finished, and connects with Fernandina and Jacksonville on the Atlantic. It is probable there will soon be two or three connections between the Pensacola and Georgia Railroad and the Main Trunk—for instance, from Valdosta to Madison, from Boston to Monticello, (18 miles,) from Bainbridge to Quincy, and from St. Marks to the Duer Channel (6 miles) on the Gulf of Mexico. Passengers can now leave Charleston at 9.15 A. M., (Sundays excepted,) and be in Tallahassee and St. Marks in 22 and 24 hours afterwards. From St. Mark's to New Orleans by the semi-monthly Steamer, is 38 hours, making the whole time between Charleston and New Orleans, 2 days, 14½ hours, a period much shorter than by any rival route.

By arrangements recently made, cotton can now be brought from Macon to Charleston, and goods sent back without changing cars in Savannah.

By this route, (over the *Charleston and Savannah Railroad to Macon*,) the shipper will not only be saved 8 miles of transportation, but also the expenses of breaking bulk in Augusta.

We have the prospect of being soon in connection with the wealthy District of Barnwell, by means of the Port Royal Railroad. Owing to the contiguity of this District to Savannah river, the greater portion of its cotton and trade has been attracted in that direction. Her people are both able and willing to build this work, destined to be a most valuable feeder to this Road, And that they are in earnest, I will

quote a resolution adopted at a meeting of the Stockholders at Barnwell Court House on the 18th of January last.

“Resolved, That the President is directed to let out at his discretion 35 miles of the Port Royal Railroad, commencing at the Initial Point on the 52d mile of Charleston and Savannah Railroad, west of the Salkehatchie river.”

The distance between Charleston and Augusta will, when this Road is built, be reduced to 132 miles. And as the Georgia Charter gives them the privilege of entering the city of Augusta and making close connections with the Waynesboro and Georgia Rail Roads, our merchants will doubtless be enabled to make arrangements with the Georgia Railroad Company to bring and fetch freight from all points on that Road without shifting bulk. Here again will be another opening for a large amount of capital.

The annexed returns and Statements of the Superintendent are necessarily brief, on account of the short period he has been associated with his new duties, the former Superintendent, major Manigault, having only resigned on the 27th of last December, and his engrossing engagements since as chief of the Ordinance Department, having precluded him from conferring with and extending to his successor details necessary to a full account of the proceedings of the Road during the past year.

For want of space on both sides of the river, there is much time lost in the forwarding and delivery of freight. The slip on west side of the Ashley, which was commenced some months ago, has been discontinued for want of means. Whenever the resources of the Company will allow the resumption of work upon it, we shall not only economise in the handling of freight, but also be able to forward our passengers with more despatch, by running the baggage crates from Train to the Steamer and back again on the return trip of Steamer to the cars.

REAL ESTATE.

The Company owns, in the city and country, 6,713 acres of land, which includes the 207 acres purchased from Mr.

Steinmeyer, upon which the Depot in St. Andrews has been located. Much of this land was purchased at low rates, and some of it paid for in Stock. The policy in making these purchases, was to supply the Engines with fire-wood and the Road with cross-ties, so as to be independent of the owners of land in the vicinity for supplying these necessities.

There are Railways in the South, which, in default of this foresight, have to employ wood trains to haul their wood from distances sometimes as far as 70 miles from their Depots. We have wood within reasonable distances over the whole length of the Road ; so if parties offering to contract for fuel charge too high rates, we can fall back upon our own resources and wait till they become reasonable. Moreover, the appreciation of these lands will in time improve so much in price, that we will be enabled to sell a portion of them at a high profit, and still have enough remaining for the purposes of the Road.

“The real estate which was early purchased by the New Jersey Railroad and Transportation Co., has proved of great value, being now worth nearly as much as the original cost of the whole Road.”

If the same happy results occur with us, we shall have good cause of congratulation for the present investment.

I will now recur to the financial condition of the Company, which I regret to say is a very critical one. A large bonded and floating debt, and the January coupons on our 7 per ct. Bonds yet unpaid! a very discouraging prospect, I must confess to you, gentlemen. But our position would not have been as it is, had we not ended our Road on the eve of a great Revolution, and amidst an almost universal stagnation of business. With the return of peace, and the firm establishment of the Confederate States of America, the Road will work out its own deliverance. “Have patience, and we will pay you all.”

In the mean time, I can see no other means of meeting our interest, and some few of the most pressing demands upon the Treasury, than for the Stockholders to consent to an assessment of 25 per ct. upon the capital stock ; I have exhausted every effort to obtain assistance. When they all

failed, the Board made the following appeal to the City Council :

The Charleston and Savannah Railroad Company respectfully represent to your Honorable Body :

That at great labor and private sacrifice, their Road was finished on the 1st of the present month, (November, 1860,) and that during its construction they have been compelled to adopt many schemes to bring this enterprise to a successful conclusion, hoping, and confidently believing, that when the two cities were connected by Rail, they would be able to sell their securities at a rate which would re-imburse them for sacrifices made when the Road was in its infancy.

The Company feeling the urgent necessity of a prompt and early completion of the Road—a necessity hastened by the critical position of our political relations with the Free States, and their influence upon commercial prosperity—resolutely determined, in spite of opposition and difficulties, to complete the work at any risk or cost.

Ignoring delay, and truly solicitous for the earliest possible connection between the cities of Charleston and Savannah, a temporary Trestle Bridge has been built over the Savannah at an additional cost of \$20,000, (the Contractors of the Iron Cylinder Bridge having suspended their work on account of sickness, but now again in progress, upon which \$56,279 have been expended.) Without the prompt action of the Company in building this temporary pile structure, the municipal authorities and citizens of Charleston and Savannah would not now have interchanged those generous hospitalities, so full of happy influences in the future, and which may be said to have repaid us with compound interest for all the labor, anxiety and money, expended in its construction.

Such are some of the advantages thus early derived from the Road ; are they to be undervalued, or can too much value be placed upon them ? The Company hope not ; and under this belief it has in anticipation drawn largely, not only upon its own credit, but likewise upon private and individual aid, to enable her to meet the payment of our just demands at the moment of completion.

Commencing the work amidst the fearful hurricanes and epidemics of 1854, then through difficulties increasing at every step, plodding its weary and uncertain way, and now on the day of its conclusion it has stumbled upon monetary and political difficulties, so portentous in their aspect as to demand assistance from others besides the President and Board of Directors.

The Company has labored long, and with good intent. It feels that it has tried to do its duty to itself and the public, and it now asks the consideration of your Honorable Body to what it will hereafter set forth.

The Company further sets forth, that no foresight could predict the present embarrassing condition of pecuniary and political affairs in time to make provision for the future ; and instead of the prosperous period anticipated when the Road was done and their securities be disposed of to advantage, it has at this critical juncture to provide for the payment of work finished, and to be finished, on the permanent Bridge over Savannah river, Depots, Wharves, Machine Shops, and Buildings not only requisite to protect and preserve its valuable property, but also as a means of carrying on the enterprise harmoniously and profitably.

To meet its liabilities at this time, (and they must be met,) will cause a most ruinous sacrifice. The Company would be wanting in good faith, should it withhold the fact, that if a sale of Railroad Bonds was forced, it would involve, not only a heavy loss in money, but would involve its credit also, while the benefit of such a sale would be reaped by others than the friends and public spirited Stockholders who have liberally and faithfully sustained this work, (often from their private means,) through all the doubts and perils surrounding it, never doubting, however, themselves, its final success.

The Company has united upon the only plan of relief open to it, viz : an appeal to the City Council to endorse its Bonds.

The Company estimates that it will require a further sale of \$400,000 of its Bonds to finish the Road and Bond its debts, both of which demand immediate attention. If these Bonds were endorsed by the city, the Company could find purchasers at par value ; but if sold without that guaranty, it would in-

volve a loss too heavy for the Company to stand under, particularly after the heavy sacrifices of its securities and credit it has already made to furnish the means of bringing the enterprise to the point it has now reached, and this too at an expenditure of at least \$600,000 beyond what it should legitimately have been. The plan of an endorsement, which is a loan of the credit of the City to the Company, if favorably considered, would only require *time* to provide the means of paying its indebtedness.

But this is not the first time your Petitioners have appealed to Council for aid. In May, 1857, (another year full of pecuniary embarrassment,) the Company sought relief at your hands. It proved unsuccessful. It then appealed to every source from which relief was even possible; but again in vain. What then? Ought we then to have abandoned the work? Many recommended it then, but every one of them we suspect would now reverse the judgment then given.

To have been faint-hearted at that crisis, would have doomed the enterprise to ruin, and left it to be finished by some other generation than ours, and have involved also far greater mortified sacrifices to meet the debts of an *unfinished* Road than is now asked to pay the debts of a *finished* one.

The Company, therefore, petition your Honorable Body to guaranty the payment of \$400,000 of its 7 per ct. Bonds, at maturity, or grant such other relief as your wisdom may direct."

Neither of these applications were favorably considered by Council. So your Directors had no other resource, but either to let the Road stop, or look to private means for extricating it from its embarrassments. In this they happily succeeded; and to the devotion of a few public spirited men do the cities of Charleston and Savannah, at a moment of peril and insecurity, owe the possession of a rock of defence not even second to that of Gibraltar. At such a juncture your Road is priceless; already have our cars brought to the city large numbers of negroes to work upon the fortifications in the harbor; thousands of pounds of powder, and large quantities of meat, flour, and merchandise, since the obstructions were thrown

into the channel, and distributed boxes of arms, not only along our own seaboard, but through Georgia and Florida. And should invasion be settled upon our devoted shores, its power of concentrating troops at any threatened point of attack cannot be too highly estimated!

If, then, those entrusted with the charge of this great work have achieved so much with the inadequate means at their disposal, how much earlier and cheaper would their labors have been brought to an end, had a more generous subscription been extended to them.

It remains now for the Stockholders to take the matter of the Company's debts into their own hands, and see what mode of relief in their wisdom can be devised. I invite the most rigid and thorough scrutiny into the management and resources of the Road from beginning to end. Such an investigation is due both to Directors and Stockholders, as it will enable the latter to find out what the former have long known—how *scanty* have been the funds that made the Road what it is—how untiring and unselfish have been the agents who were entrusted with its construction, through epidemics and hurricanes, monetary convulsions and law-suits—through a region sparsely settled and notoriously sickly—yet never flagging by summer or winter, till their labors were accomplished.

But excessive as the Company's indebtedness may seem, it is due not only to the fact that the Road was built on the credit system, but paying unheard of prices for the right of way; high prices for negro labor, on account of the fears of the owners of the sickliness of the country they were to work through; the necessity for bringing materials for bridges and trestles from long distances, although the timber was growing alongside of the line of road; and the failure of some of the Contractors to complete their contracts, from sickness or inability, and the consequent necessity of substituting others at higher rates.

If nothing beyond the fair expense of the Road had been incurred, there would have been no difficulty in making it a paying one the first season after it was finished. The whole mischief has occurred, because the whole outlay has not been appropriated to the Road itself, and because capital for which

interest has still to be found, has been expended in many ways, bringing no return, thus oppressing the concern with a load of debt so heavy, that however valuable when completed to the country at large, will nevertheless turn out valueless to the enterprising men whose energy and contributions first brought it into existence.

The telegraph wires are being laid with rapidity in the direction of Savannah. I am informed that by the first part of May, the whole line will be in full operation between the two cities.

The excellent condition in which the Engines and Rolling Stock have been kept, the evenness of the Road Bed, the punctuality in the delivery of mails, passengers and freights, together with freedom from any serious accidents, are the most substantial proofs that can be presented of the faithful manner in which all the officers and agents of the Company have discharged their several duties during the past year.

Respectfully submitted.

THOMAS F. DRAYTON,
President.

20th February, 1860.

STATEMENT of the affairs of the Charleston and Savannah Railroad Company, January 1st, 1861.

EXPENDITURES.		RECEIPTS.	
For Construction Equipments, Right of Way, Real Estate, Interest, Commission, Profit and Loss, Steam-er, Depots and Wharves,	- - - - - \$2,996,468 08	From Capital Stock,	- - - - - \$907,310 00
ON HAND.		From First Mortgage Bonds, 6 per ct.,	- - - - - 410,000 00
Bank Stock, and Stock of King's Mountain Railroad,	- - - - - \$75,000 00	From Second Mortgage Bonds, 7 per ct.,	- - - - - 854,500 00
Bills receivable,	- - - - - 57,450 00	From Equipment Bonds, 7 per ct.,	- - - - - 58,000 00
Open Accounts,	- - - - - 143,133 24	From Bonds payable,	- - - - - 42,658 34
		From Bills payable,	- - - - - \$100,843 65
		From Gross Transportation,	- - - - - 81,886 06
		Less Expenses,	- - - - - 18,957 59
Cash,	- - - - - 1,817 00	From Open Accounts,	- - - - - 372,284 36
			<u>\$3,273,868 32</u>

Subscription to the CAPITAL STOCK of the Company.

By the City of Charleston,	2,654 Shares,	- - - - - 265,400 00	Received from City,	- - - - - 265,400 00
By State of South Carolina,	2,700 "	- - - - - 270,000 00	Received from State,	- - - - - 270,000 00
By Banks in the City,	600 "	- - - - - 60,000 00	Received from Bank- in the City,	- - - - - 60,000 00
By Central R. R. & Banking Company of Georgia,	750 "	- - - - - 75,000 00	Received from Central R. R. & Bank'g Co., and individuals,	311,910 00
By individuals,	3,663 "	- - - - - 366,300 00	Due by Central R. R. & Banking Co.,	- - - - - 71,250 00
			Due by individuals,	- - - - - 58,140 00
				<u>1,036,700 00</u>

* Of this amount of Notes, there are
 Secured by Collaterals, - - - \$387,004 55
 With no Collaterals, - - - 223,153 48
\$610,158 03

WM. H. SWINTON, *Treasurer.*

CHARLESTON, FEBRUARY 18TH, 1861.

HON. THOS. F. DRAYTON,

Pres't Charleston and Savannah R. R. Co.

SIR:—I herewith respectfully submit to your notice, detailed statements of the freight and passenger business, and maintenance of motive power on this Road, during the year 1860. These statements are not so explicit as would, perhaps, have been desirable ; but the many duties which have pressed upon me during the short period that I have been in office, have prevented me from giving these matters the attention that would have been necessary. Such as they are, however, they will show with sufficient clearness, that thus far the revenues of the Road have been almost totally derived from its local business, and that it has not yet received a tithe of the through business that it must ultimately control. The table of the cost of maintenance of motive power will compare favorably with other Southern Roads.

The freighting business of the Road has considerably increased since the beginning of the year, though not so much as would probably have been the case, had not the present political difficulties interfered in a great measure with the usual shipments of cotton from this port.

The roadway has, until the last few weeks, been in remarkably good order for a new Road, though the late heavy rains have temporarily affected it, on such portions as have not been sufficiently ballasted. The character of the soil of which the Road bed is principally composed, will require the employment of a larger force for some years to come than is generally considered necessary for the maintenance of roadway. It would appear, however, that the increased duration of the rails, ensured by thus keeping the Road bed in a proper condition, will fully compensate for the additional expense which it demands.

At the beginning of the present year, the work upon the permanent Bridge across the Savannah river was in the following condition: Cylinders Nos. 7, 2, 3, 4, and 5, were in position. No. 6 had been accidentally overthrown while the workmen were engaged upon it, and now lies upon the river-bed, the state of the water having been such since that time as to have rendered futile any attempts to raise it. No. 7 had also been partially sunk, but from some cause had assumed an inclined position when the process of sinking it was stopped. During the month of January, Mr. W. S. Smith, the energetic agent of the Contractors, hired a double gang of hands, and after making the necessary preliminary arrangements, proceeded to straighten it. The river had been kept at a high stage by continuous freshets, and therefore required considerable pressure within the Cylinder to overcome its resistance, which severely tested the machinery employed; and several times some trifling accident, as the bursting of a joint or the blowing out of a valve, just as the sand and water had been nearly expelled from the Cylinder, retarded the progress of the work for two or three days; finally, upon the 7th inst., the bottom of the Cylinder was reached, when it was discovered that the obstacle which had hindered the vertical descent of the Cylinder was a large cypress root, which had probably been carried down from the surface of the river-bed by the Cylinder, until it reached the hard substratum upon which it now rests. After considerable labor, the root was at length cut asunder and removed, and Mr. Smith is now engaged in sinking the Cylinder to the required depth.

It should be stated with reference to the temporary structure across the Savannah, that it has withstood the late freshets, the highest since 1852, remarkably well, yet, though under ordinary circumstances it may serve the purposes of the road for several years to come, the uncertainty attendant upon the existence of a bridge of pile work in a rapid current, subject to obstruction from the accumulation of drift wood, and liable to severe shocks from drifting rafts during freshets, as well as the disagreeable difficulties constantly occurring with persons interested in the navigation of the river, and who imagine their business obstructed by the present

temporary bridge, induce me to respectfully suggest to you the paramount importance of a speedy completion of the permanent bridge.

In conclusion, I would say that I have observed with pleasure the zeal and interest manifested by the officers in charge of the several departments during my brief connection with the Road, and also to the faithful discharge of duty by the employees generally, which has, I believe, conduced to the singular exemption from accident with which the Road has up to the present time been favored.

Respectfully submitted.

H. S. HAINES,
Eng'r & Sup't.

DETAILED STATEMENT

Of Freight transported upon the Road during the year 1860.

		Charleston to Savannah.	Charleston to Way Stations.	Way Stations to Charleston.	Way Stations to Savannah.	Savannah to Charleston.	Savannah to Way Stations.	TOTALS.
January,				1503 98				1503 98
February,				1454 01				1454 01
March,				1646 35				1646 35
April,				1152 85				1152 85
May,				1679 76			143 51	1823 27
June,				1114 97			219 30	1334 27
July,	1 10	14 75	779 85	239 75		7 05	270 43	1312 93
August,	10 25	4 45	863 75	386 09		33 79	334 71	1633 04
September,	17 53	50	756 19	522 74		3 53	316 36	1616 87
October,	24 18	4 50	832 58	990 18		4 40	232 61	2088 45
November,	20 85	42 20	1199 00	1165 25	191 65	34 14	150 93	2804 62
December,	30 00		1459 30	1476 82	171 56	51 18	65 15	2854 01
	103 98	66 40	5490 67	13333 35	363 21	134 09	1733 00	21224 65

DETAILED STATEMENT of Passenger Traffic on C. & S. R. R. during the year 1860.

DIRECTION OF TRAVEL.	JANUARY.	FEBRUARY.	MARCH.	1ST TO 21ST OF APRIL.	21ST APRIL TO 1ST JUNE.	JUNE.	JULY.	AUGUST.	SEPTEMBER.	OCTOBER.	NOVEMBER.	DECEMBER.	TOTALS.
arleston to Savan'h,	2367 91	2350 00	2539 95	1686 15	1510 50	870 00	678 00	558 90	634 00	1052 00	1414 00	1372 00	8088 50
arles'n & Way Sta.,					1896 30	1525 85	1143 95	1174 45	875 35	1145 30	2492 25	3397 95	20595 41
vannah & Charles'n					1558 75	862 00	776 00	628 00	230 00	438 00	702 00	932 00	6126 75
van'h to Way Sta.,					1972 90	498 00	549 80	361 55	382 55	401 40	584 25	745 05	5496 10
tween Way Stations					153 70	77 30	53 30	102 65	81 25	65 70	121 50	180 90	836 30
tal Local Travel,	2367 91	2350 00	2539 95	1686 15	7092 20	3833 75	3201 05	2824 65	2203 15	3102 40	5314 00	6627 90	35050 91
ro'gh trav'l North'd					243 87	398 19	383 12	347 75	200 00	112 00	207 00	357 75	2249 68
ro'gh trav'l South'd,							30 35	3 57	43 50	459 25	440 21	280 43	1257 31
tal through travel,					243 87	398 19	413 47	351 32	243 50	571 25	647 21	638 18	3263 12
onthly totals,	2367 91	2350 00	2539 95	1686 15	7336 07	4231 94	3614 52	3175 97	2446 65	3673 65	5961 21	7266 08	38314 03

*AVERAGE COST per mile of Wood, Oil, Tallow, and Waste,
used by Locomotive Engines during the year 1860.*

NAMES OF ENGINES	SERVICE.	MILES RUN TO A			
		Cord of Wood.	Gallon of Oil.	Pound of Tallow	Pound of Waste.
Coosawhatchie, .	Passenger	82.7	553	127	52
Thomas Rogers, .	"	100.1	609	225	54
Isundiga, .	"	85.2	655	120	58
Mayor Macbeth, .	"	77.9	487	139	50
Andrew Milne, .	Freight	40.6	293	81.7	40
Edisto, .	"	59.3	217	61	45
Combahee, .	"	66.5	522	115	53
Ashepoo, .	"	52.2	417	95	48
James Adger, .	"	54.6	530	120	46
Ashley, .	Roadway	38.5	287	70	33
Stono, .	"	54.0	312	81.8	43
General Average. .		64.9	443	109	50

LOCOMOTIVE TABLE FOR THE Y

NAMES OF ENGINES.		WHEN PUT IN SERVICE.	BY WHOM BUILT.	CHARACTER OF ENGINES.				PRESENT CONDITION.	Cords of Wood used.	Gallons of Oil used.	Pounds of Waste used.	Pounds of Tallow used.	Total Cost of Ma- terials.	
				CYLINDERS.		DRIVERS.								
				Diam.	Stroke.	No.	Diam.							
PASSENGER.														
Coosawhatchie,	7	March 4th, 1860	Rodgers.	13	22	4	60	Running Order	228 $\frac{3}{4}$	34	358	147 $\frac{1}{2}$	\$494	16
Thomas Rodgers,	8	April 26th, 1860	do.	13	22	4	60	do.	164 $\frac{1}{4}$	27	301	73	360	27
Isundiga, - -	9	May 12th, 1860	do.	13	22	4	60	do.	178 $\frac{3}{4}$	23 $\frac{1}{4}$	261	127	387	63
Mayor Macbeth,	11	Nov. 2d, 1860	do.	13	22	4	60	do.	43 $\frac{3}{4}$	7	67	24 $\frac{1}{2}$	108	08
FREIGHT.														
Ashley,	1	March 29th, 1858	do.	12	20	4	44	do.	193 $\frac{3}{4}$	26	220	107	397	97
Andrew Milne,	2	August 7th, 1858	do.	12	22	4	54	Under Repairs	97 $\frac{3}{4}$	13 $\frac{1}{2}$	98	48 $\frac{1}{2}$	189	63
Stono, -	3	Jan'y 25th, 1859	do.	12	20	4	44	Running Order	226 $\frac{1}{2}$	39 $\frac{1}{4}$	279	149 $\frac{1}{2}$	477	07
Edisto, -	4	Feb'y 8th, 1859	do.	12	22	4	60	Under Repairs	113 $\frac{1}{2}$	31	147 $\frac{1}{2}$	110	253	36
Combahee, - -	5	Oct. 15th, 1859	do.	13	22	4	54	Running Order	322 $\frac{3}{4}$	39	381	177	761	61
Ashepoo, -	6	Feb'y 1st, 1860	do.	13	22	4	54	do.	299 $\frac{1}{4}$	37 $\frac{1}{2}$	324	165	606	68
James Adger, -	10	Sept. 4th, 1860	do.	13	22	4	54	do.	94 $\frac{1}{2}$	9 $\frac{3}{4}$	112	43	202	82
Southward Ho, -	12		do.	13	22	4	60	Not in Service.						
Totals, -									1963 $\frac{1}{4}$	287 $\frac{1}{4}$	2548 $\frac{1}{2}$	1172	4237	28

NUMBER OF CARS ON ROAD.

9. Passenger Coaches, -	5. In Running Order.	4. Under Repairs.
3. Conductor Cars, - -	3. In Running Order.	
3. Express and Baggage Cars,	3. In Running Order.	
27. Box Cars, - - -	27. In Running Order.	
6. Stock Cars, - - - -	6. In Running Order.	
59. Platform Cars, - -	56. In Running Order.	3. Broken up.
3. Platform Cars, - -	Made into Dump Cars.	
1. Hoisting Car, - - -	In Running Order.	

YEAR 1860.

Miles.	Total Cost of Repairs.		No. of Miles Run.	Cost of Materials		Cost of Repairs		Total Cost Per Mile.		TOTAL COST.
				Cents	Mills.	Cents	Mills.	Cents	Mills.	
16	96	92	18819	2	6		5	3	1	591 08
27	17	21	16445	2	1		1½	2	2½	377 48
33	27	81	15234	2	4		1½	2	5½	415 44
08	84	08	3410	3	1	2	4	5	5	192 16
07	75	78	7461	5	3	1		6	3	473 75
3	132	21	3966	4	7	3	3	8		221 84
07	90	57	12237	3	8	7		4	5	567 64
6	206	04	6726	3	6	3		6	6	259 40
1	60	00	20364	3	7½	2	¾	4	¼	821 52
8	96	75	15648	3	8		6	4	4	703 43
2	50	85	5168	3	8		9½	4	7½	253 67
8	938	22	127488							4877 41



